

FOR IMMEDIATE RELEASE: June 27, 2003

CONTACT FOR MEDIA: Ronda Sloan 502-564-6098 (office) or 502-330-1804 (cell)

State gets restraining order to halt sale of unauthorized medical malpractice insurance

FRANKFORT, Ky. - The Department of Insurance has obtained a temporary restraining order against several entities that the agency alleges have been marketing professional liability coverage to Kentucky physicians and medical facilities without proper authorization, Insurance Commissioner Janie A. Miller announced today.

Judge William Graham of the Franklin Circuit Court issued the restraining order on June 25 against Security Trust Insurance Company, Ltd., and Ameristar, Ltd.

Security Trust and Ameristar are both located in Christiansted, St. Croix, Virgin Islands. According to court documents, Ameristar purports to be a subsidiary of Security Trust.

At least three physicians and one group of clinics in Kentucky have been sold professional liability coverage by these entities. Neither company has the necessary authorization to conduct insurance business in the Commonwealth, according to the Department.

-30-